

A DECLARATORY RESOLUTION designating a "Residentially Distressed Area" under I.C. 6-1.1-12-1 for property commonly known as Lafayette at Williams Street (old Hanna School Site)

WHEREAS, Petitioner has duly filed its petition dated July 2, 1991 to have the following described property designated and declared a "Residentially Distressed Area" under Division 6, Article II, Chapter 2 of the Municipal Code of the City of Fort Wayne, Indiana, of 1974, as amended, and I.C. 6-1.1-12.1, to wit:

Lots #212, 213, 214, 215, 216, 217, 218 in
Hamilton's Fourth Addition - Key#93-2916-5214

said property more commonly known as (Old Hanna School site).

WHEREAS, said project will be divided into 6 lots and a single family house will be constructed on each lot and sold to low and moderate income homeowners; and

WHEREAS, the total estimated project cost is \$300,000.00; and

WHEREAS, it appears that said petition should be processed to final determination in accordance with the provisions of said Division 6.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That, subject to the requirements of Section 6, below, the property hereinabove described as hereby designated and declared a "Residentially Distressed Area" under I.C. 6-1.1-21.1. Said designation shall begin upon the effective date of the Confirming Resolution

1 referred to in Section 6 of this Resolution and shall
2 continue for two (2) years thereafter. Said designation
3 shall terminate at the end of that two year period.

4 SECTION 2. That upon adoption of the Resolution:

- 5 (a) Said Resolution shall be filed with the Allen
6 County Assessor;
- 7 (b) Said Resolution shall be referred to the Committee
8 on Finance and shall also be referred to the
9 Department of Economic Development Requesting a
10 recommendation from said department concerning the
11 advisability of designating the above designated
12 area a "Residentially Distressed Area";
- 13 (c) Common Council shall publish notice in accordance
14 with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 of the
15 adoption and substance of this Resolution and
16 setting this designation as a "Residentially
17 Distressed Area" for public hearing;
- 18 (d) If this Resolution involves an area that has
19 already been designated an allocation area under
20 I.C. 36-7-14-39, then the Resolution shall be
21 referred to the Fort Wayne Redevelopment
22 Commission and said designation as a
23 "Residentially Distressed Area" shall not be
24 finally approved unless said Commission adopts a
25 resolution approving the petition.

26 SECTION 3. That, said designation of the
27 hereinabove described property as a "Residentially
28 Distressed Area" shall apply to a deduction of the assessed
29 value of real estate improvements.

30 SECTION 4. The Redevelopment Commission will
31 transfer ownership of the site to the City and the City will
32 transfer ownership of the site to Project Renew. Project

1 Renew will then divide the site into six (6) lots and a
2 single family house will be constructed on each lot. The
3 houses will be sold to low and moderate income homeowners
4 for their primary residence. This site has been a blighting
5 influence in this neighborhood for the last 20 years.
6 Construction of affordable single family housing on this
7 site will turn it into a neighborhood asset.

8 SECTION 5. The current year approximate tax rates
9 for taxing units within the City would be:

10 (a) If the proposed project is not undertaken, the
11 approximate current year tax rates for this site
12 would be \$7.595561/\$100.

13 (b) If the proposed project is undertaken and no
14 deduction is granted, the approximate current year
15 tax rate for the sit would be \$7.595561/\$100 (the
16 change would be negligible).

17 (c) If the proposed project is undertaken and a
18 deduction of \$8,000 is assumed, the approximate
19 current year tax rate for the site would be
20 \$7.595561/\$100 (the change would be negligible).

21 SECTION 6. That this Resolution shall be subject
22 to being confirmed, modified and confirmed or rescinded
23 after public hearing and receipt by Common Council of the
24 above described recommendations and resolution, if
25 applicable.

26 SECTION 7. Pursuant to I.C. 6-1.1012.1, it is
27 hereby determined that the deduction from the assessed value
28 of the new construction (or rehab) shall be for a period of
29 5 years.

30 SECTION 8. The benefits described in the
31 Petitioner's statement of benefits can be reasonably
32 expected to result from the project and are sufficient to

1 justify the applicable deductions.

2 SECTION 9. That this Resolution shall be in full
3 force and effect from and after its passage and any and all
4 necessary approval by the Mayor.

5 *Mark P. GiaQuinta*

6 Councilmember

7
8 APPROVED AS TO FORM
9 AND LEGALITY

10 *J. Timothy McCaulay*

11 J. Timothy McCaulay, City Attorney

12 FOUR STAR BOND

13 SOUTHWORTH CO. U.S.A.

14 25% COTTON FIBER

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Read the first time in full and on motion by _____ seconded by _____, and duly adopted, read the second time title and referred to the Committee on _____ (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, the _____, da of _____, 19____, at _____ o'clock _____ M., E.S.

DATED: _____

SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by _____ seconded by _____, and duly adopted, placed on its passage. PASSED 9-10-91 by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<u>9</u>			
BRADBURY	<u>✓</u>			
BURNS	<u>✓</u>			
EDMONDS	<u>✓</u>			
GIAQUINTA	<u>✓</u>			
HENRY	<u>✓</u>			
LONG	<u>✓</u>			
REDD	<u>✓</u>			
SCHMIDT	<u>✓</u>			
TALARICO	<u>✓</u>			

DATED: 7-9-91

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) _____ (APPROPRIATION) _____ (GENERAL) _____ (SPECIAL) _____ (ZONING MAP) _____ ORDINANCE RESOLUTION NO. 2-33-91 on the 9th day of July, 1991,

Sandra E. Kennedy ATTEST
SANDRA E. KENNEDY, CITY CLERK

SEAL
Samuel J. Talarico
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 10th day of July, 1991 at the hour of 4:00 o'clock P. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 15th day of July, 1991, at the hour of 6:15 o'clock P. M., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR

FOR USE OF DESIGNATING BODY

IMPACT ON THE CURRENT YEAR TAX RATE FOR THE TAXING DISTRICT INDICATED ABOVE

Tax Rates Determined Using The Following Assumptions		Total Tax Rates
1. Current total tax rate.		\$ 7.48
2. Approximate tax rate if project occurs and no deduction is granted.		\$ 7.48
3. Approximate tax rate if project occurs and a deduction is assumed.		\$ 7.48

Assume an 80% deduction on new machinery installed and / or a 50% deduction assumed on real estate improvements.

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2:

- A) The designated area has been limited to a period of time not to exceed _____ calendar years. *(See Below)*
- B) The type of deduction that is allowed in the designated area is limited to:
- 1) Redevelopment or rehabilitation of real estate improvements. ☒ Yes ☐ No
 - 2) Installation of new manufacturing equipment ☐ Yes ☐ No
 - 3) No limitations on type of deduction *(check if no limitations)* ☐ No
- C) The amount of deduction applicable for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1987, is limited to \$ _____ cost with an \$ _____ assessed value.

Also we have reviewed the information contained in the statement of benefits including the impact on the tax rate incorporated herein, and have determined that the benefits described above can be reasonably expected to result from the project and are sufficient to justify the applicable deduction.

Approved: Signature of Authorized Member and Title

Date of Signature

Attested By:

Designated Body

If a commission council town board or county council limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under I.C. 6-1.1-12.1-4 or 4.5 Namely:

NEW MANUFACTURING EQUIPMENT		REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT			
		For Deductions Allowed Over A Period Of:			
Year of Deduction	Percentage	Year of Deduction	Three (3) Year Percentage	Six (6) Year Percentage	Ten (10) Year Percentage
1st	100%	1st	100%	100%	100%
2nd	95%	2nd	66%	85%	95%
3rd	80%	3rd	33%	66%	80%
4th	65%	4th		50%	65%
5th	50%	5th		34%	50%
6th and thereafter	0%	6th		17%	40%
		7th			30%
		8th			20%
		9th			10%
		10th			5%

APPLICATION TO THE CITY OF FORT WAYNE, INDIANA
FOR DESIGNATION OF PROPERTY AS A
"RESIDENTIALLY DISTRESSED AREA"
AND STATEMENT OF BENEFITS

A. GENERAL INFORMATION

Applicant's Name: PROJECT RENEW/RCO, INC.

Contact Person (if applicable): Robin W. Hunt

Mailing Address: P.O. Box 12981, 231 East Williams St.

Fort Wayne, IN 46866

Phone Number: (219) 456-6677

Street Address of Property Proposed to be Designated:

Lot # 212, 213, & 214 (Old Hanna school) Lot # 215, 216, 217, & 218; all lots in Hamiltons 4th Addition.

Real Estate Key Number of Property:

Only Key # available is for lot 218, 93-2916-5212

information from Wayne TWP Asseessor's Office.

B. PROPERTY INFORMATION

Current owner of the property:

Redevelopment Commission

If the current owner is not a unit of local government, has the property been through the county tax sale and not yet been redeemed? Explain:

The Redevelopment Commission will transfer ownership to the City and the City will transfer title to PROJECT RENEW.

Are there buildings currently on the property? Yes

If so, what type (residential/commercial, # of units, etc.)?

Storage Shed, It will be removed

What is the condition of the building/s?

Poor

Are any buildings on the property legally occupied? No

Are any buildings on the property subject to an Order to Repair or Demolish or other action by the Department of Neighborhood Code Enforcement? No

C. PROJECT SUMMARY INFORMATION

Will this project include:

New construction Yes

Rehabilitation No

How many dwelling units will be built/rehabilitated? 6

Will these units be:

Single family XX

Two-family

Three-family

Four-family

Over four units per dwelling?

For owner-occupancy?

For rental?

What is the estimated total cost of the project? \$272,000.00

What is the estimated cost per unit? \$42,000.00

What is the estimated sale price per unit (if for owner-occupancy)? \$42,000.00

What is the estimated rent per unit (if for rental)? N/A

What other types of assistance will be provided to owners or renters (such as down payment assistance, Section 8 subsidies, etc.)?

Downpayment pool, Waiver of certain closing fees, Sweat Equity toward Downpayment, NIPSCO Rebate

	YES	NO
Is the project site solely within the city limits of Fort Wayne?	<u>X</u>	<u> </u>
Is the project site within the floodplain?	<u> </u>	<u>X</u>
Will the project require public improvements?	<u>X</u>	<u> </u>
Sewer lines (not sewer hook-ups)	<u> </u>	
Water lines (not water hook-ups)	<u> </u>	
Road improvements (on right-of-way)	<u> </u>	
Other Sidewalks	<u>X</u>	

D. ZONING INFORMATION

What is the existing zoning classification of the project site? R3 & B3B

What zoning classification does the project require? R1

E. REAL ESTATE TAX INFORMATION

What is the current assessed value of the real estate?

Land	\$ <u>780.00</u>	= 130.00 X 6
Improvements	\$ <u>69,000.00</u>	= 11,500 X 6
Total	\$ <u>69,780.00</u>	= Total for 6 New Homes

In what township is the project site located? Fort Wayne - Wayne

F. UNDESIRABILITY OF NORMAL DEVELOPMENT

What evidence can be provided that the property on which the project will be located "has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property"?

The site has been vacant for several years. It is in a blighted
and an eye sore to the community.

I hereby certify that the information and representation on this application and attached exhibits are true and complete. Further, it is hereby certified that no building permit has been issued for construction of improvements as of the date of filing of this application.

Donald F. Suelzer
Signature of Applicant Donald F. Suelzer
President

6/27/91
Date

Attachments: Form SB-1
Form 322 ERA



STATEMENT OF BENEFITS

State Form 27167 (7-87)

Form SB-1 is prescribed by the State Board of Tax Commissioners (1987)

Confidential Statement: The records in this series are CONFIDENTIAL according to Indiana Code 6-1.1-35-9.

INSTRUCTIONS: (I.C. 6-1.1-12.1) THIS PAGE TO BE COMPLETED BY APPLICANT

1. This statement must be submitted to the body designating the economic revitalization area BEFORE a person acquires new manufacturing equipment or begins the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. Effective July 1, 1987.
2. If a person is requesting the designation of an economic revitalization area, this form must be submitted at the same time the request is submitted.
3. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained before a deduction may be approved.
4. To obtain a deduction Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of (1) May 10 or (2) thirty(30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.

Name of Designating Body Fort Wayne City Council	County Allen
Name of Taxpayer PROJECT RENEW/RCO, INC.	
Address of Taxpayer (Street, city, county) P.O. BOX 12981, 231 East Williams St. Fort Wayne, IN	ZIP Code 46803

SECTION I: LOCATION, COST AND DESCRIPTION OF PROPOSED PROJECT		
Location of property if different from above Lot # 212, 213, 214, 215, 216, 217, 218 in Hamiltons 4th Addition	Taxing District Fort Wayne-Wayne	
Cost and description of real property improvements and / or new manufacturing equipment to be acquired: \$272,000.00 for construction of six (6) New Single family homes.		
(Attach additional sheets if needed)	Estimated Starting Date July 1991	Estimate Completion Date October 1991

SECTION II: ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries

SECTION III: ESTIMATE TOTAL COST AND VALUE OF PROPOSED PROJECT				
Current Values Plus estimated values of proposed project Less: Values of any property being replaced Net estimated values upon completion of project	REAL ESTATE IMPROVEMENTS		MACHINERY	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE
	-0-	780.00	130.00	X 6
	272,000.00	69,000.00	11,500	X 6
	-0-	-0-		
	272,000.00	69,780.00	= Total for 6 homes	

SECTION IV: OTHER INFORMATION REQUIRED BY THE DESIGNATING BODY			
See attached fact sheet.			
I hereby certify that the representations on this statement are true.		Signatures of Authorized Representative <i>Donald F. Sufer</i>	
Title <i>President</i>	Date of Signature <i>6/27/91</i>	Telephone Number	

COMMENTS:

DIGEST SHEET

TITLE OF RESOLUTION Project Renew Tax Abatement

DEPARTMENT REQUESTING RESOLUTION Housing and Neighborhood Development Services, Inc.

SYNOPSIS OF RESOLUTION Project Renew is requesting tax abatement for the old Hanna
School site. The Redevelopment Commission will transfer ownership of the site to
the City and the City will transfer the ownership to Project Renew. Project Renew
will subdivide the site into six (6) lots and will build six new single family
houses on them. Lincoln National Bank will provide mortgage financing to six low
and moderate income families to purchase these homes which will be their primary
residence.

EFFECT OF PASSAGE Each family will save about \$45.00 each month in property taxes for
the first five years of their mortgage. In some cases this will mean the difference
between being able to qualify for a mortgage or not being able to for these families.
This site has been a blighting influence on this neighborhood for the last twenty years.
Construction of affordable single-family housing on this site will turn it into a
neighborhood asset.

EFFECT OF NON-PASSAGE Some families may not be able to qualify for a mortgage to
purchase the property.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) Approximately \$16,200.00 in
taxes will be abated during the five year period.

ASSIGNED TO COMMITTEE (PRESIDENT) _____



MEMORANDUM

TO: City Council Members

FROM: Karen Goldner, ^{mg.} Assistant to the Director, C&ED

SUBJECT: Tax Abatement Application submitted by Project Renew

DATE: July 2, 1991

Q-91-07-10

Background:

Project Renew is requesting tax abatement for the old Hanna School site to construct six single-family houses. Tax abatement will make the houses affordable to low and moderate income homebuyers. Mortgage financing is being provided by Lincoln National Bank.

Reviewing Alternatives:

If the tax abatement is not granted, some low and moderate income households may not be able to qualify for mortgage financing.

If the tax abatement is not granted, Project Renew may not be able to construct the houses and the site will remain a blighting influence on the neighborhood. New residential construction will make this site an asset to the Project Renew neighborhood and the South Central Revitalization Project Area.

Recommendation:

Staff recommends declaration and confirmation of the site as a Residentially Distressed Area to allow tax abatement.

KG:BLJ:ys

BILL NO. R-91-07-10

REPORT OF THE COMMITTEE ON FINANCE

MARK E. GIAQUINTA, CHAIRMAN
DONALD J. SCHMIDT, VICE CHAIRMAN
BRADBURY, REDD, BURNS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS

REFERRED AN (~~ORDINANCE~~) (RESOLUTION) designating a "Residentially
Distressed Area" under I.C. 6-1.1-12-1 for property commonly
known as Lafayette at Williams Street (old Hanna School Site)

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(~~ORDINANCE~~) (RESOLUTION) _____

DO PASS

DO NOT PASS

ABSTAIN

NO REC

Mark E. Giavinta

Donald J. Schmidt

Brady

Reed

Brady

DATED: 7-9-91

Sandra E. Kennedy
City Clerk